

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2001 Short title.

Sec. 2001. Sections 2001 to 2050 shall be known and may be cited as “the uniform trade practices act”.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2002 Purpose of act.

Sec. 2002. The purpose of this uniform trade practices act is to regulate trade practices in the business of insurance in accordance with the intent of congress as expressed in the act of congress of March 9, 1945 (Public Law 15, 79th Congress as amended), by defining, or by providing for the determination of (under standards or procedures herein prescribed), all such practices in this state which constitute unfair methods of competition or unfair or deceptive acts or practices, and by prohibiting the trade practices so defined or determined.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2005 Misrepresentations.

Sec. 2005. An unfair method of competition and an unfair or deceptive act or practice in the business of insurance means the making, issuing, circulating, or causing to be made, issued, or circulated, an estimate, illustration, circular, statement, sales presentation, or comparison which by omission of a material fact or incorrect statement of a material fact does any of the following:

- (a) Misrepresents the terms, benefits, advantages, or conditions of an insurance policy.
- (b) Misrepresents the dividends or share of the surplus to be received on an insurance policy.
- (c) Makes a false or misleading statement as to the dividends or share of surplus previously paid on an insurance policy.
- (d) Makes a misleading statement or misrepresentation as to the financial condition of a person engaged in the business of insurance, or as to the legal reserve system upon which a life insurer operates.
- (e) Uses a name or title of an insurance policy or class of insurance policies misrepresenting the true nature of that insurance policy or class of insurance policies. A policy approved by the commissioner shall be conclusively presumed not to misrepresent the true nature of that policy.
- (f) Makes a misrepresentation for the purpose of inducing or tending to induce the lapse, forfeiture, exchange, conversion, or surrender of an insurance policy.
- (g) Makes a misrepresentation for the purpose of effecting a pledge or assignment of or a loan against an insurance policy.
- (h) Misrepresents an insurance policy as being a security. This subdivision shall not apply to an insurance policy which must be registered as a security pursuant to the law of this state or of the United States.
- (i) Misrepresents the nature or extent of coverage afforded an insurance policy or annuity contract by the Michigan life and health insurance guaranty association or the property and casualty guaranty association.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977;—Am. 1989, Act 302, Imd. Eff. Jan. 3, 1990.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2007 Unfair methods of competition or deception; false, deceptive or misleading advertising.

Sec. 2007. The following are defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio station, or in any other way, an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the

conduct of his insurance business, which is untrue, deceptive or misleading.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

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500.2009 False, maliciously critical, or derogatory statement as to financial condition.

Sec. 2009. Unfair methods of competition and unfair or deceptive acts or practices in the business of insurance include the making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of an oral or written statement or a pamphlet, circular, article, or literature which is false, or maliciously critical of, or derogatory to the financial condition of a person engaged in the business of insurance, and which is calculated to injure a person engaged in the business of insurance.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

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500.2014 False material statement of financial condition; false entry or omission of true entry in book, report, or statement.

Sec. 2014. Unfair methods of competition and unfair or deceptive acts or practices in the business of insurance include:

(a) Filing with a supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to a person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, or delivered to a person, or placed before the public, a false material statement of financial condition of a person engaged in the business of insurance.

(b) Making a false entry of a material fact in a book, report, or statement of a person engaged in the business of insurance or omitting to make a true entry of a material fact pertaining to the business of the person in a book, report, or statement of the person.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2017 Unfair methods of competition or deception; illegal inducements.

Sec. 2017. The following are defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

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500.2018 False or fraudulent statements or representations as to application for insurance policy.

Sec. 2018. An unfair method of competition and an unfair or deceptive act or practice in the business of insurance include making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual.

History: Add. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2019 Unfair methods of competition or deception; unfair discrimination in life insurance.

Sec. 2019. The following are defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

Making or permitting any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2020 Unfair methods of competition or deception; unfair discrimination in accident or health insurance.

Sec. 2020. The following are defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

Making or permitting any unfair discrimination between individuals of the same class and of essentially the same hazard in the amount of premium, membership, or policy fees, or rates charged for any policy or contract of accident or health insurance applicable to individual or family expense coverage or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2024 Unfair methods of competition or deception; rebates and special inducements.

Sec. 2024. The following are defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract of life insurance, life annuity or accident and health insurance, or agreement as to such contract other than as plainly expressed in the contract issued thereon, or paying or allowing, or giving or offering to pay, allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, or partnership, or any dividends or profits accrued thereon, or anything of value whatsoever not specified in the contract.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2027 Unfair methods of competition and unfair or deceptive acts or practices; prohibited conduct.

Sec. 2027. Unfair methods of competition and unfair or deceptive acts or practices in the business of insurance include:

(a) Refusing to insure, or refusing to continue to insure, or limiting the amount of coverage available to an individual or risk because of any of the following:

(i) Race, color, creed, marital status, sex, or national origin, except that marital status may be used to classify individuals or risks for the purpose of insuring family units.

(ii) The residence, age, disability, or lawful occupation of the individual or the location of the risk, unless there is a reasonable relationship between the residence, age, disability, or lawful occupation of the individual or the location of the risk and the extent of the risk or the coverage issued or to be issued, but subject to subparagraph (iii). This section shall not prohibit an insurer from specializing in or limiting its transactions of insurance to certain occupational groups, types, or risks as approved by the commissioner of insurance. The commissioner shall approve the specialization for an insurer licensed to do business in this state and whose articles of incorporation contained a provision on July 1, 1976, requiring that specialization.

(iii) For property insurance, the location of the risk, unless there is a statistically significant relationship between the location of the risk and a risk of loss due to fire within the area in which the insured property is located. As used in this subparagraph, “area” means a single zip code number under the zoning improvement plan of the United States postal service.

(b) Refusing to insure or refusing to continue to insure an individual or risk solely because the insured or applicant was previously denied insurance coverage by an insurer.

(c) Charging a different rate for the same coverage based on sex, marital status, age, residence, location of risk, disability, or lawful occupation of the risk unless the rate differential is based on sound actuarial principles, a reasonable classification system, and is related to the actual and credible loss statistics or reasonably anticipated experience in the case of new coverages. This subdivision shall not apply if the rate has previously been approved by the commissioner.

History: Add. 1976, Act 273, Eff. Apr. 1, 1977;—Am. 1998, Act 26, Imd. Eff. Mar. 12, 1998.

Popular name: Act 218

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500.2028 Examination; investigation.

Sec. 2028. Upon probable cause, the commissioner shall have power to examine and investigate into the affairs of a person engaged in the business of insurance in this state to determine whether the person has been or is engaged in any unfair method of competition or in any unfair or deceptive act or practice prohibited by sections 2001 to 2050.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

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500.2029 Notice of hearing; opportunity to confer; summary disposition.

Sec. 2029. When the commissioner has probable cause to believe that a person engaged in the business of insurance has been engaged or is engaging in this state in an unfair method of competition, or an unfair or deceptive act or practice in the conduct of his business, as prohibited by sections 2001 to 2050, and that a hearing by the commissioner in respect thereto would be in the interest of the public, he shall first give notice in writing, pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws, to the person involved, setting forth the general nature of the complaint against him and the proceedings contemplated pursuant to sections 2001 to 2050. Before the issuance of a notice of hearing, the staff of the bureau of insurance responsible for the matters which would be at issue in the hearing shall give the person an opportunity to confer and discuss the possible complaint and proceedings in person with the commissioner or his representative and the matter may be disposed of summarily upon agreement of the parties.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT) **Act 218 of 1956**

500.2030 Hearing; procedure; intervention; burden of proof; commissioner or designate to preside; independent hearing officer; peremptory dismissal.

Sec. 2030. (1) At the time and place fixed for the hearing referred to in section 2029, the person shall have an opportunity to be heard, to be represented by counsel and to show cause why an order should not be made by the commissioner requiring the person to cease and desist from the acts, methods, or practices complained of. Upon showing by any person that he has an interest likely to be affected adversely, the commissioner shall permit that person to intervene, appear and be heard at the hearing by counsel or in person.

(2) The burden of proof at the hearing shall be upon the agency or upon an intervenor who intervened in opposition to the person who is the subject of the proceeding.

(3) The commissioner or his designate shall preside over the hearing, except that an independent hearing officer shall be designated by the commissioner if requested by the person who is the subject of the proceedings. The independent hearing officer shall be selected by the commissioner from a list of individuals submitted by the American arbitration association qualified to conduct hearings on behalf of the commissioner. A list of the individuals shall be maintained by the commissioner and shall be compiled

pursuant to rules promulgated by the commissioner. The rules shall set forth the qualifications, criteria, and procedures to be utilized in the compilation of the list of independent hearing officers. The person subject to the proceedings may exercise 1 peremptory dismissal of the hearing officer selected, if exercised within 20 days after notification.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

Administrative rules: R 500.1051 et seq. of the Michigan Administrative Code.

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500.2032 Unfair methods of competition or deception; hearing; oaths; witnesses; evidence; subpoenas; contempt of court; stenographic record; statement of evidence.

Sec. 2032. (1) The commissioner, upon the hearing referred to in section 2030, may administer oaths, examine and cross examine witnesses, and receive oral and documentary evidence. Any party to the cause shall have the power to compel the subpoena of witnesses, compel their attendance, and require the production of books, papers, records, correspondence, or other documents which he deems relevant to the inquiry. In case of a refusal of any person to comply with any subpoena issued hereunder or to testify with respect to any matter concerning which he may be lawfully interrogated, the circuit court of Ingham county or the county where such party resides, on application of any party to the cause, may issue an order requiring such person to comply with such subpoena and to testify; and any failure to obey any such order of the court may be punished by the court as a contempt thereof.

(2) The commissioner, upon such hearing, may, and upon the request of any party to the cause shall, cause to be made a stenographic record of all the evidence and all the proceedings had at such hearing. If no stenographic record is made and if a judicial review is sought, the commissioner shall prepare a statement of the evidence and proceeding for use on review.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2033 Hearing; directing witness to give testimony or produce evidence; immunity; perjury; waiver of immunity or privilege.

Sec. 2033. If any natural person shall ask to be excused from attending and testifying or from producing any books, papers, records, correspondence or other documents at any hearing on the ground that the testimony or evidence required of him or her may tend to incriminate him or her or subject him or her to a penalty or forfeiture, and shall notwithstanding be directed to give testimony or produce evidence, he or she must nonetheless comply with the directions, but he or she shall not be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he or she may testify or produce evidence pursuant to this section, and no testimony given or evidence produced shall be received against him or her upon any criminal action, investigation or proceeding. No individual testifying shall be exempt under this section from prosecution or punishment for any perjury committed by him or her while so testifying and the testimony or evidence given or produced shall be admissible against him or her upon any criminal action, investigation or proceeding concerning the perjury, nor shall he or she be exempt from the refusal, revocation or suspension of any license, permission or authority conferred, or to be conferred, pursuant to the insurance code. Any individual may execute, acknowledge and file in the office of the commissioner a statement expressly waiving immunity or privilege in respect to any transaction, matter or thing specified in the statement and the testimony of the person or evidence in relation to the transaction, matter or thing may be received or produced before any judge, court, tribunal, grand jury or otherwise, and if so received or produced the individual shall not be entitled to any immunity or privilege on account of any testimony he or she may give or evidence produced.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1991, Act 141, Imd. Eff. Nov. 25, 1991.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2034 Unfair methods of competition or deception; service of notices, process and other papers, return.

Sec. 2034. Statements of charges, notices, orders, subpoenas and other processes of the commissioner under this uniform trade practices act may be served by anyone duly authorized by the commissioner, either in the manner provided by law for service of process in civil actions, or by registering and mailing a copy thereof to the person affected by such statement, notice, order, or other process at his or its residence or principal office or place of business. The verified return by the person so serving such statement, notice, order, or other process, setting forth the manner of such service, shall be proof of the same, and the return postcard receipt for such statement, notice, order, or other process, registered and mailed as aforesaid, shall be proof of the service of the same.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)

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500.2038 Findings and decision to be in writing; cease and desist order; other orders; stay; modification or setting aside of order.

Sec. 2038. (1) If, after opportunity for a hearing held pursuant to Act No. 306 of the Public Acts of 1969, as amended, the commissioner determines that the person complained of has engaged in methods of competition or unfair or deceptive acts or practices prohibited by sections 2001 to 2050, the commissioner shall reduce his findings and decision to writing and shall issue and cause to be served upon the person charged with the violation a copy of the findings and an order requiring the person to cease and desist from engaging in that method of competition, act, or practice and the commissioner may order any of the following:

(a) Payment of a monetary penalty of not more than \$500.00 for each violation but not to exceed an aggregate penalty of \$5,000.00, unless the person knew or reasonably should have known he was in violation of this chapter, in which case the penalty shall not be more than \$2,500.00 for each violation and shall not exceed an aggregate penalty of \$25,000.00 for all violations committed in a 6-month period.

(b) Suspension or revocation of the person's license or certificate of authority if the person knowingly and persistently violated a provision of this chapter.

(c) Refund of any overcharges.

(2) The filing of a petition for review does not stay enforcement of action pursuant to this section, but the commissioner may grant, or the appropriate court may order, a stay upon appropriate terms.

(3) Until the expiration of the time allowed under section 244 for filing a petition for review if a petition has not been duly filed within that time or, if a petition for review has been filed within that time, then until the transcript of the record in the proceeding has been filed in the circuit court, as hereinafter provided, the commissioner, upon notice and in a manner as he shall deem proper, may modify or set aside in whole or in part an order issued by him under this section.

(4) After the expiration of the time allowed for filing a petition for review, if a petition has not been duly filed within that time, the commissioner may at any time, by order, after notice and opportunity for hearing, reopen and alter, modify, or set aside, in whole or in part, an order issued by him under this section, when in his opinion conditions of fact or of law have so changed as to require that action or if the public interest shall so require.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)

Act 218 of 1956

500.2040 Violation of cease and desist order; penalty; stay; contents of cease and desist order.

Sec. 2040. (1) A person who violates a cease and desist order of the commissioner under this chapter while the order is in effect, after notice and an opportunity for a hearing and upon order of the commissioner, may be subject to any of the following:

(a) A monetary penalty of not more than \$10,000.00 for each violation.

(b) Suspension or revocation of the person's license or certificate of authority.

(2) The filing of a petition for review does not stay enforcement pursuant to this section, but the commissioner may grant, or the appropriate court may order, a stay upon appropriate terms.

(3) A cease and desist order issued by the commissioner pursuant to section 2043 shall not contain fines or other penalties applicable to acts or omissions occurring prior to the date of the cease and desist order.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1976, Act 273, Eff. Apr. 1, 1977.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2057 Misrepresentation of insurer's identity prohibited; advertising by fire insurer not limited; violation as misdemeanor; penalty.

Sec. 2057. (1) No insurer or department or general agency of an insurer, doing business in this state, or its officers or agents, shall issue any false or misleading advertisement through newspapers or other periodicals, or any false or misleading representations by signs, cards, letterheads, or other stationery, tending to conceal or misrepresent the true identity of the issuer or insurer which is carrying the liability under any policy issued in this state. Nor shall any insurer or department or general agency of an insurer, doing business in this state, issue any advertisement or representation of any character, giving the appearance of a separate or independent insuring organization on the part of any department or general agency, and the type or lettering used in any advertisement or representation shall set forth the name of the company or organization assuming the risk more conspicuously than that of any department or general agency.

(2) Nothing herein contained shall be construed as limiting the right of any representative of a fire insurance company to advertise his own individual business.

(3) Any violation of this section shall be punished by a fine not exceeding \$500.00, as a misdemeanor.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2064 Misrepresentation of terms of policy; future benefits or dividends prohibited; illegal inducements; violation; revocation of certificate or license; penalties.

Sec. 2064. (1) No insurer, or any officer, director, agent or solicitor thereof shall issue, circulate or use or cause or permit to be issued, circulated or used, any written or oral statement or circular misrepresenting the terms of any policy issued or to be issued by such insurer, or misrepresenting the benefits or privileges promised under any such policy, or estimating the future dividends payable under any such policy.

(2) No insurer, officer, director, agent or solicitor, or any person, firm, association or corporation, shall make any misrepresentation or incomplete comparison of policies, oral, written or otherwise, to any person insured in any insurer for the purpose of inducing or tending to induce such person to take out a policy of insurance or for the purpose of inducing or tending to induce a policyholder in any insurer to lapse, forfeit or surrender his insurance therein, and to take out a policy of insurance in another like insurer.

(3) Upon satisfactory evidence of any violation of the provisions of this section by any insurer, its officers, solicitors or agents, or any insurance broker, the commissioner shall forthwith revoke the certificate of authority or license of such insurer, its officers, solicitors or agents, after following the procedures provided for in section 2068, and no certificate of authority or license shall be issued to such insurer, officers, agents or solicitors, within 1 year from the date of such revocation.

(4) Violations of this section shall also be subject to the penalties provided for in section 2069.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2066 Rebates and illegal inducements prohibited; violation; revocation of license or certificate; penalties.

Sec. 2066. (1) No insurer, by itself or any other party, and no insurance agent or solicitor, personally or by any other party, transacting any kind of insurance business shall offer, promise, allow, give, set off or pay, directly or indirectly, any rebate of, or part of, the premium payable on the policy or on any policy, or agent's commission thereon, or earnings, profit, dividends or other benefit founded, arising, accruing or to accrue thereon, or therefrom, or any other valuable consideration or inducement to or for insurance, on any risk in this state now or hereafter to be written, which is not specified in the contract of insurance; nor shall any such insurer, agent or solicitor, personally or otherwise, offer, promise, give, sell, or purchase any stocks, bonds, securities or any dividend or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith which is not specified in the policy contract.

(2) Upon satisfactory evidence of the violation of this section by any insurer, its officers, solicitors or agents, or any insurance broker, the commissioner shall revoke the license or certificate of authority of such offending insurer, its officers, solicitors or agents, after following the procedures provided for in section 2068; and no license or certificate of authority shall be issued to such insurer, officers, agents, solicitors or brokers, within 1 year from the date of such revocation.

(3) Violations of this section shall also be subject to the penalties provided for in section 2069.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2068 Revocation of license or certificate; notice; hearing; order; review by supreme court.

Sec. 2068. (1) Before any such license or certificate is revoked, as provided in sections 2064 and 2066 hereof, the commissioner shall notify the holder thereof in writing of the complaint against him, and require such person on a date named, not less than 15 days after service of said notice, to appear for a hearing before him at the insurance department, and such certificate shall not be revoked until after a full hearing or an opportunity therefor has been granted as herein provided; and no such revocation shall take effect until 10 days after such order has been made by the commissioner and the holder thereof notified in writing of such action.

(2) Any such order may be reviewed by the supreme court if the appeal for such review is taken within the 10 days immediately following the giving of the notice of the making of said order, and pending such appeal for review, such license or certificate of authority shall be deemed to be in full force and effect and until the final determination of such appeal, but in case the order of revocation by the commissioner is sustained the period of such revocation shall date from the time such appeal is determined.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2069 Violation of §§ 500.2064 and 500.2066 as misdemeanor; penalty.

Sec. 2069. Any insurer, agent, solicitor, or any person, firm, association, or corporation, violating any of the provisions of sections 2064 and 2066 shall be guilty of a misdemeanor. Upon conviction of violating section 2066 the offender shall be sentenced to pay a fine of not more than \$100.00 for each violation, or in the discretion of the court, to imprisonment in the county jail of the county in which the offense is committed. Upon conviction of violating section 2064 the offender shall be sentenced to pay a fine of not more than \$1,000.00 for each violation, or in the discretion of the court, to imprisonment in the county jail of the county in which the offense is committed.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1989, Act 306, Imd. Eff. Jan. 3, 1990.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2074 Repealed. 2000, Act 486, Imd. Eff. Jan. 11, 2001.

Compiler's note: The repealed section pertained to political contributions by insurers.

Popular name: Act 218

THE INSURANCE CODE OF 1956 (EXCERPT)
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500.2082 Racial discrimination by life insurers prohibited; violation; penalty.

Sec. 2082. (1) No life insurer doing business in this state shall make any distinction or discrimination between white persons and colored persons, wholly or partially of African descent, as to the premiums or rates charged for policies upon the lives of such persons, or in any other manner whatever; nor shall any such insurer demand or require a greater premium from such colored persons than is at that time required by such insurer from white persons of the same age, sex, general condition of health and prospect of longevity; nor make or require any rebate, diminution or discount upon the amount to be paid on such policy in case of death of such colored person insured; nor insert in the policy any condition, nor make any stipulation whereby such person insured shall bind himself or his heirs, executors, administrators and assigns to accept any sum less

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than the full amount or value of such policy in case of a claim accruing thereon by reason of the death of such person insured, other than such as are imposed on white persons in similar cases; and any such stipulations or conditions so made or inserted shall be void.

(2) Any insurer which violates any of the provisions of this section shall forfeit to the state the sum of \$500.00 for each violation, to be recovered by the attorney general by appropriate action in any court of competent jurisdiction, and any judgment therefor may be collected in the same manner as is herein provided for collecting judgments rendered in favor of policyholders. And any officer or agent who violates any of the provisions of this section shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in the county jail not exceeding 1 year, or by a fine of not less than \$50.00, and not exceeding \$500.00, or by both such fine and imprisonment, in the discretion of the court.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218